



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

AMB FINANCIAL CORP

Person to be contacted regarding this report:	STEVEN A BOHN
CPP Funds Received:	\$3,674,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	1/30/2009
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	
Holding Company Docket Number: (For Thrift Holding Companies)	H228
FDIC Certificate Number: (For Depository Institutions)	29878
City:	MUNSTER
State:	Indiana

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	Although the subsidiary bank experienced a decline in loans outstanding, originations for 2009 increased to \$42.7 million vs. \$32.9 million for 2009. Loan balances declined due to increased refinancing activity and loans sales of \$7.3 million due to historically low rates. Schedule CF/OTS TFR.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	The increase in loan originations was primarily in residential mortgage loans which increased to \$25.4 million in 2009 from \$17.9 million in 2008. Schedule CF/OTS TFR.
<input checked="" type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	The subsidiary bank purchased \$3.5 million in MBS from FHLMC, FNMA, and GNMA. Schedule CF/OTS TFR.
<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	The subsidiary bank was able to increase the provision for loans loss expense to \$2.4 million in 2009 as compared to \$0.5 million in 2008. Schedule SO/OTS TFR.

<input checked="" type="checkbox"/>	Reduce borrowings	The subsidiary bank was able to reduce borrowings by \$7.7 million. A portion of this could be attributed to the \$2.7 million capital contribution from the holding company to the subsidiary bank. Schedule SC/OTS TFR.
<input checked="" type="checkbox"/>	Increase charge-offs	Charge-offs increased to \$1.1 million in 2009 as compared to \$0.4 million in 2008. Schedule VA/OTS TFR.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	The holding company infused \$2.7 million in capital to the subsidiary bank. Core capital leverage ratio increased from 8.50% at 12/31/08 to 9.80% at 3/31/09. Total risk-based capital ratio increased from 12.92% at 12/31/09 to 15.27% at 3/31/09. Schedule CCR/OTS TFR.

What actions were you able to avoid because of the capital infusion of CPP funds?

Although at 12-31-2009, the subsidiary bank would still be considered "well capitalized" without the \$2.7 million capital infusion from the holding company, this infusion of CPP funds assured the subsidiary bank the flexibility to continue lending as compared to the possibility of shrinking the balance sheet in order to maintain its "well capitalized" status.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

The subsidiary bank was able to continue lending to the consumers and small businesses owners in Northwest Indiana, continue its investments in FHLMC, FNMA, and GNMA MBS, as well as increase its reserves for non performing assets.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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